

STATE OF WASHINGTON

DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT Energy Policy Division

925 Plum Street SE, Bldg. 4 • PO Box 43173 • Olympia, Washington 98504-3173 • (360) 956-2096

February 9, 2004

Ms. Carole Washburn, Secretary Washington Utilities and Transportation Commission PO Box 47250; 1300 S. Evergreen Park Drive, SW Olympia, WA 98504-7250

RE: Docket No. U-04088

Comments on Petition of Bonneville Power Administration

for Declaratory Order Disclaiming Jurisdiction

Dear Ms. Washburn:

Thank you for inviting comments on this request. We respectfully encourage the Commission to enter the requested declaratory order. The Project is an essential component of BPA's transmission infrastructure program and will benefit the Region and the State. The Infrastructure Program received its original impetus after areas of the West Coast were stricken by a blackout originating on the BPA system in 1996. An Infrastructure Technical Review Committee consisting of transmission experts from Northwest utilities, evaluated a catalogue of possible BPA transmission system infrastructure projects. The committee narrowed the initial list to infrastructure improvement projects critical to keeping the Northwest transmission grid operating reliably and economically. BPA has begun to systematically construct the projects listed in the Infrastructure program. Its completion of the Kangley-Echo Lake line in December, 2003 helped to stabilize the transmission system in the Puget Sound Region during the cold snap last month. The Schultz-Wautoma line will provide similar support to the transmission system in Central Washington.

BPA has been both creative and responsible in developing this financing package in order to move forward in building one of its critical infrastructure projects. Commission approval of this request will enable BPA to actually get the project built.

Again, we appreciate the opportunity to offer our comments. If you have questions, please feel free to contact me at (360) 956-2009.

Sincerely,

Howard Schwartz Senior Energy Policy Specialist cc: Wendy Holden, Deputy Director, CTED
Tony Usibelli, Assistant Director, CTED Energy Policy
Cindy Custer, Constituent Account Executive, Bonneville Power Administration